

## **PARTS 2–24 [RESERVED]**

### **PART 25—UNIVERSAL IDENTIFIER AND SYSTEM FOR AWARD MAN- AGEMENT**

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#### **APPENDIX A TO PART 25—AWARD TERM**

AUTHORITY: Pub. L. 109–282; 31 U.S.C. 6102.

SOURCE: 75 FR 55673, Sept. 14, 2010, unless otherwise noted.

EDITORIAL NOTE: Nomenclature changes to part 25 appear at 79 FR 75879, Dec. 19, 2014.

#### **Subpart A—General**

##### **§ 25.100 Purposes of this part.**

This part provides guidance to Federal awarding agencies to establish:

- (a) The unique entity identifier as a universal identifier for Federal financial assistance applicants, as well as recipients and their direct subrecipients, and;
- (b) The System for Award Management (SAM) as the repository for standard information about applicants and recipients.

[75 FR 55673, Sept. 14, 2010, as amended at 79 FR 75879, Dec. 19, 2014; 80 FR 54407, Sept. 10, 2015; 85 FR 49522, Aug. 13, 2020]

##### **§ 25.105 Types of awards to which this part applies.**

This part applies to a Federal awarding agency’s grants, cooperative agreements, loans, and other types of Federal financial assistance as defined in § 25.406.

[85 FR 49522, Aug. 13, 2020]

##### **§ 25.110 Exceptions to this part.**

(a) *General.* Through a Federal awarding agency’s implementation of the guidance in this part, this part applies to all applicants and recipients of Federal awards, other than those exempted by statute or exempted in paragraphs (b) and (c) of this section that apply for or receive agency awards.

(b) *Exceptions for individuals.* None of the requirements in this part apply to an individual who applies for or receives Federal financial assistance as a natural person (*i.e.*, unrelated to any business or nonprofit organization he or she may own or operate in his or her name).

(c) *Other exceptions.* (1) Under a condition identified in paragraph (c)(2) of this section, a Federal awarding agency may exempt an applicant or recipient from an applicable requirement to

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obtain a unique entity identifier and register in the SAM, or both.

(i) In that case, the Federal awarding agency must use a generic unique entity identifier in data it reports to *USAspending.gov* if reporting for a prime award to the recipient is required by the Federal Funding Accountability and Transparency Act (Pub. L. 109-282, hereafter cited as “Transparency Act”).

(ii) Federal awarding agency use of a generic unique entity identifier should be used rarely for prime award reporting because it prevents prime awardees from being able to fulfill the subaward or executive compensation reporting required by the Transparency Act.

(2) The conditions under which a Federal awarding agency may exempt an applicant or recipient are—

(i) For any applicant or recipient, if the Federal awarding agency determines that it must protect information about the entity from disclosure if it is in the national security or foreign policy interests of the United States, or to avoid jeopardizing the personal safety of the applicant or recipient’s staff or clients.

(ii) For a foreign organization or foreign public entity applying for or receiving a Federal award or subaward for a project or program performed outside the United States valued at less than \$25,000, if the Federal awarding agency deems it to be impractical for the entity to comply with the requirement(s). This exemption must be determined by the Federal awarding agency on a case-by-case basis while utilizing a risk-based approach and does not apply if subawards are anticipated.

(iii) For an applicant, if the Federal awarding agency makes a determination that there are exigent circumstances that prohibit the applicant from receiving a unique entity identifier and completing SAM registration prior to receiving a Federal award. In these instances, Federal awarding agencies must require the recipient to obtain a unique entity identifier and complete SAM registration within 30 days of the Federal award date.

(3) Federal awarding agencies’ use of generic unique entity identifier, as described in paragraphs (c)(1) and (2) of this section, should be rare. Having a

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generic unique entity identifier limits a recipient’s ability to use Governmentwide systems that are needed to comply with some reporting requirements.

(d) *Class exceptions.* OMB may allow exceptions for classes of Federal awards, applicants, and recipients subject to the requirements of this part when exceptions are not prohibited by statute.

[85 FR 49523, Aug. 13, 2020]

### Subpart B—Policy

#### **§ 25.200 Requirements for notice of funding opportunities, regulations, and application instructions.**

(a) Each Federal awarding agency that awards the types of Federal financial assistance defined in § 25.406 must include the requirements described in paragraph (b) of this section in each notice of funding opportunity, regulation, or other issuance containing instructions for applicants that is issued on or after August 13, 2020.

(b) The notice of funding opportunity, regulation, or other issuance must require each applicant that applies and does not have an exemption under § 25.110 to:

(1) Be registered in the SAM prior to submitting an application or plan;

(2) Maintain an active SAM registration with current information, including information on a recipient’s immediate and highest level owner and subsidiaries, as well as on all predecessors that have been awarded a Federal contract or grant within the last three years, if applicable, at all times during which it has an active Federal award or an application or plan under consideration by a Federal awarding agency; and

(3) Provide its unique entity identifier in each application or plan it submits to the Federal awarding agency.

(c) For purposes of this policy:

(1) The applicant meets the Federal awarding agency’s eligibility criteria and has the legal authority to apply and to receive the Federal award. For example, if a consortium applies for a

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Federal award to be made to the consortium as the recipient, the consortium must have a unique entity identifier. If a consortium is eligible to receive funding under a Federal awarding agency program but the agency's policy is to make the Federal award to a lead entity for the consortium, the unique entity identifier of the lead applicant will be used.

(2) A notice of funding opportunity is any paper or electronic issuance that an agency uses to announce a funding opportunity, whether it is called a "program announcement," "notice of funding availability," "broad agency announcement," "research announcement," "solicitation," or some other term.

(3) To remain registered in the SAM database after the initial registration, the applicant is required to review and update its information in the SAM database on an annual basis from the date of initial registration or subsequent updates to ensure it is current, accurate and complete.

[85 FR 49523, Aug. 13, 2020]

### **§ 25.205 Effect of noncompliance with a requirement to obtain a unique entity identifier or register in the SAM.**

(a) A Federal awarding agency may not make a Federal award or financial modification to an existing Federal award to an applicant or recipient until the entity has complied with the requirements described in § 25.200 to provide a valid unique entity identifier and maintain an active SAM registration with current information (other than any requirement that is not applicable because the entity is exempted under § 25.110).

(b) At the time a Federal awarding agency is ready to make a Federal award, if the intended recipient has not complied with an applicable requirement to provide a unique entity identifier or maintain an active SAM registration with current information, the Federal awarding agency:

(1) May determine that the applicant is not qualified to receive a Federal award; and

(2) May use that determination as a basis for making a Federal award to another applicant.

[85 FR 49523, Aug. 13, 2020]

### **§ 25.210 Authority to modify agency application forms or formats.**

To implement the policies in §§ 25.200 and 25.205, a Federal awarding agency may add a unique entity identifier field to information collections previously approved by OMB, without having to obtain further approval to add the field.

[85 FR 49523, Aug. 13, 2020]

### **§ 25.215 Requirements for agency information systems.**

Each Federal awarding agency that awards Federal financial assistance (as defined in § 25.406) must ensure that systems processing information related to the Federal awards, and other systems as appropriate, are able to accept and use the unique entity identifier as the universal identifier for Federal financial assistance applicants and recipients.

[85 FR 49523, Aug. 13, 2020]

### **§ 25.220 Use of award term.**

(a) To accomplish the purposes described in § 25.100, a Federal awarding agency must include in each Federal award (as defined in § 25.405) the award term in appendix A to this part.

(b) A Federal awarding agency may use different letters and numbers than those in appendix A to this part to designate the paragraphs of the Federal award term, if necessary, to conform the system of paragraph designations with the one used in other terms and conditions in the Federal awarding agency's Federal awards.

[85 FR 49524, Aug. 13, 2020]

## **Subpart C—Recipient Requirements of Subrecipients**

SOURCE: 85 FR 49524, Aug. 13, 2020, unless otherwise noted.

## § 25.300

### § 25.300 Requirement for recipients to ensure subrecipients have a unique entity identifier.

(a) A recipient may not make a subaward to a subrecipient unless that subrecipient has obtained and provided to the recipient a unique entity identifier. Subrecipients are not required to complete full SAM registration to obtain a unique entity identifier.

(b) A recipient must notify any potential subrecipients that the recipient cannot make a subaward unless the subrecipient has obtained a unique entity identifier as described in paragraph (a) of this section.

## Subpart D—Definitions

SOURCE: 85 FR 49524, Aug. 13, 2020, unless otherwise noted.

### § 25.400 Applicant.

*Applicant*, for the purposes of this part, means a non-Federal entity or Federal agency that applies for Federal awards.

### § 25.401 Federal Awarding Agency.

*Federal Awarding Agency* has the meaning given in 2 CFR 200.1.

### § 25.405 Federal Award.

*Federal Award*, for the purposes of this part, means an award of Federal financial assistance that a non-Federal entity or Federal agency received from a Federal awarding agency.

### § 25.406 Federal financial assistance.

(a) *Federal financial assistance*, for the purposes of this part, means assistance that entities received or administer in the form of:

- (1) Grant;
- (2) Cooperative agreements (which does not include a cooperative research and development agreement pursuant to the Federal Technology Transfer Act of 1986, as amended (15 U.S.C. 3710a));
- (3) Loans;
- (4) Loan guarantees;
- (5) Subsidies;
- (6) Insurance;
- (7) Food commodities;
- (8) Direct appropriations;

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(9) Assessed or voluntary contributions; or

(10) Any other financial assistance transaction that authorizes the non-Federal entity's expenditure of Federal funds.

(b) *Federal financial assistance*, for the purposes of this part, does not include:

- (1) Technical assistance, which provides services in lieu of money; and
- (2) A transfer of title to federally owned property provided in lieu of money, even if the award is called a grant.

### § 25.407 Recipient.

*Recipient*, for the purposes of this part, means a non-Federal entity or Federal agency that received a Federal award. This term also includes a non-Federal entity who administers Federal financial assistance awards on behalf of a Federal agency.

### § 25.410 System for Award Management (SAM).

*System for Award Management (SAM)* has the meaning given in paragraph C.1 of the award term in appendix A to this part.

### § 25.415 Unique entity identifier.

*Unique entity identifier* has the meaning given in paragraph C.2 of the award term in appendix A to this part.

### § 25.425 For-profit organization.

*For-profit organization* means a non-Federal entity organized for profit. It includes, but is not limited to:

- (a) An "S corporation" incorporated under Subchapter S of the Internal Revenue Code;
- (b) A corporation incorporated under another authority;
- (c) A partnership;
- (d) A limited liability corporation or partnership; and
- (e) A sole proprietorship.

### § 25.430 Foreign organization.

*Foreign organization* has the meaning given in 2 CFR 200.1.

### § 25.431 Foreign public entity.

*Foreign public entity* has the meaning given in 2 CFR 200.1.

**§ 25.432 Highest level owner.**

*Highest level owner* has the meaning given in 2 CFR 200.1.

**§ 25.433 Indian Tribe (or “federally recognized Indian Tribe”).**

*Indian Tribe* (or “federally recognized Indian Tribe”) has the meaning given in 2 CFR 200.1.

**§ 25.440 Local government.**

*Local government* has the meaning given in 2 CFR 200.1.

**§ 25.443 Non-Federal entity.**

*Non-Federal entity*, as it is used in this part, has the meaning given in paragraph C.3 of the award term in appendix A to this part.

**§ 25.445 Nonprofit organization.**

*Non-Federal organization*, has the meaning given in 2 CFR 200.1.

**§ 25.447 Predecessor.**

*Predecessor* means a non-Federal entity that is replaced by a successor and includes any predecessors of the predecessor.

**§ 25.450 State.**

*State* has the meaning given in 2 CFR 200.1.

**§ 25.455 Subaward.**

*Subaward* has the meaning given in 2 CFR 200.1.

**§ 25.460 Subrecipient.**

*Subrecipient* has the meaning given in 2 CR 200.1.

**§ 25.462 Subsidiary.**

*Subsidiary* has the meaning given in 2 CFR 200.1.

**§ 25.465 Successor.**

*Successor* means a non-Federal entity that has replaced a predecessor by acquiring the assets and carrying out the affairs of the predecessor under a new name (often through acquisition or merger). The term “successor” does not include new offices or divisions of the same company or a company that only changes its name.

## APPENDIX A TO PART 25—AWARD TERM

## I. SYSTEM FOR AWARD MANAGEMENT AND UNIVERSAL IDENTIFIER REQUIREMENTS

## A. Requirement for System for Award Management

Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain current information in the SAM. This includes information on your immediate and highest level owner and subsidiaries, as well as on all of your predecessors that have been awarded a Federal contract or Federal financial assistance within the last three years, if applicable, until you submit the final financial report required under this Federal award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another Federal award term.

## B. Requirement for Unique Entity Identifier

If you are authorized to make subawards under this Federal award, you:

1. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you until the entity has provided its Unique Entity Identifier to you.
2. May not make a subaward to an entity unless the entity has provided its Unique Entity Identifier to you. Subrecipients are not required to obtain an active SAM registration, but must obtain a Unique Entity Identifier.

## C. Definitions

For purposes of this term:

1. *System for Award Management (SAM)* means the Federal repository into which a recipient must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM internet site (currently at <https://www.sam.gov>).
2. *Unique Entity Identifier* means the identifier assigned by SAM to uniquely identify business entities.
3. *Entity* includes non-Federal entities as defined at 2 CFR 200.1 and also includes all of the following, for purposes of this part:
  - a. A foreign organization;
  - b. A foreign public entity;
  - c. A domestic for-profit organization; and
  - d. A domestic or foreign for-profit organization; and
4. *Subaward* has the meaning given in 2 CFR 200.1.
5. *Subrecipient* has the meaning given in 2 CFR 200.1.

[85 FR 49525, Aug. 13, 2020]